

**Minutes of the
Northern Lights / Bayfield County Special Study Committee Meeting
1:30pm, August 10, 2023**

**Meeting was held Remotely through Microsoft Teams and in person in the Bayfield County
Emergency Operations Center, Washburn, WI**

Members Present: Jeff Silbert (virtual), Mark Ehlers, Mary Dougherty (arrived late), Ellen Avol-Law

Members Excused:

Others Present: Mark Abeles-Allison-County Administrator, Paige Terry-Clerk III, Carrie Linder-Bayfield County Human Services Aging & Disability Services Manager, Kellie Pederson-UW Extension Community Development Educator, Kim Mattson-Bayfield County Accountant, Michelle Stouffer-Acting Northern Lights Administrator, Rene Eastman-Vice President of Financial and Regulatory Services for Leading Age Wisconsin

Called to order at 1:32 p.m. by *Committee Vice-Chair*, Mark Ehlers

Introductions: Introductions were made.

Reading of Purpose Statement: Dougherty read the purpose statement to the board.

1:34 p.m. – Marry Dougherty joined the meeting.

Minutes from July 24, 2023: *Motion by Avol-Law, seconded by Silbert to approve the minutes for the July 24, 2023 Northern Lights / Bayfield County Special Study Committee Meeting. Motion carried.*

1:35 p.m. – Dougherty took over the meeting as chair.

Public Comment: None.

Review Suggestions from Collaboration Committee and 2023 Financial Update: Abeles-Allison reviewed the Findings and Opportunities document with the committee. Silbert asked if the rewrite of the Northern Lights lease could be included.

Ehlers informed the committee that the facility is anticipating a \$900k-\$1 mill shortfall by the end of FY2023. Ehlers explained that the facility has spent all of the loan money received from the county, the IRS reimbursement, and will need to max out their line of credit by the end of the year.

Eastman explained that Medicaid reimbursements to nursing homes are based on cost reports. Discussion took place regarding reimbursement rate impacts on Northern Lights.

After discussion, the committee agreed to add the following items to the findings portion of the document:

- An annual operational budget shortfall of \$1,000,000 is projected for 2024 and in the future.
- An annual capital improvement budget shortfall of \$300,000 is projected for 2024 and in the future.
- In spite of best intentions, it may not be possible to save Northern Lights.

After discussion, the committee agreed to add the following items to the opportunities to improve long-term financial outlook of Northern Lights portion of the document:

- The above options need to be explored to see what financial impacts they have.
- Item 7: change the word appropriately to better.
- Northern Lights should explore is 501c3 fund raising and development plans.
- Bayfield County could consider a request for assistance from Northern Lights to help analyze the above from a business plan perspective.
- The county should explore a county operated nursing home with a management team.

Discussion took place regarding the possibility of Bayfield County taking over ownership of the Northern Lights licensure and contracting out the management of the facility.

Special Study Committee Recommendations to the Northern Lights Board and Bayfield County Executive Committee and Plan to Finalize Special Study Committee Report: The committee agreed to maintain the presented format for the final report and agreed that the county be responsible for asking the auditors if the possibility of moving to a county-owned nursing home was feasible.

Capital Improvement Listing: Ehlers reported that he was still waiting on some final estimates.

Northern Lights Board Development: Dougherty suggested the Northern Lights Board communicate with Pederson regarding board education materials. The committee agreed.

Next Meeting Topics:

- Capital Improvement Listing
- 2023 Financial Update
- Reviewing and possibly approving the final draft of the report to be presented to the Northern Lights Board and Executive Committee

Next Meeting Dates:

- Monday, August 21, 2023 at 1:30 p.m. (EOC)

Meeting adjourned at 2:59 p.m.

Respectfully submitted by Paige Terry.